

SILLS CUMMIS & GROSS P.C.

S. Jason Teele, Esq. (steele@sillscummis.com)
Daniel J. Harris, Esq. (dharris@sillscummis.com)
Gregory A. Kopacz, Esq. (gkopacz@sillscummis.com)
One Riverfront Plaza
Newark, New Jersey 07102
(973) 643-7000 (Telephone)
(973) 643-6500 (Facsimile)

*Counsel to the Debtors
and Debtors-in-Possession*

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEW JERSEY**

In re:

NATIONAL REALTY INVESTMENT
ADVISORS, LLC, *et al.*¹

Debtors.

Chapter 11

Case No. 22-14539 (JKS)

(Jointly Administered)

**APPLICATION FOR ENTRY OF AN ORDER SHORTENING TIME PERIOD
FOR NOTICE UNDER FED. R. BANKR. P. 9006(c)(1), LIMITING NOTICE, AND
SETTING HEARING FOR APPROVAL OF DEBTORS' MOTION FOR ENTRY OF AN
ORDER PURSUANT TO RULE 9019 OF THE FEDERAL RULES OF BANKRUPTCY
PROCEDURE (A) SETTLING THE CHAPTER 11 TRUSTEE MOTION;
(B) ESTABLISHING A BOARD OF INDEPENDENT MANAGERS FOR
NATIONAL REALTY INVESTMENT ADVISORS, LLC; (C) AUTHORIZING
THE DEBTORS TO (I) TO RETAIN TURNAROUND ADVISORS, LLC TO
PROVIDE A CHIEF RESTRUCTURING OFFICER, NUNC PRO TUNC TO
AUGUST 1, 2022, AND (II) APPROVE THE AGREEMENT RELATED THERETO;
AND (D) GRANTING RELATED RELIEF**

The above-captioned debtors and debtors-in-possession (the “**Debtors**”), by and through their undersigned counsel, submit this application (the “**Application**”), pursuant to Rule 9006(c) of the Federal Rules of Bankruptcy Procedures (the “**Bankruptcy Rules**”) and Rule 9013-2(c) of the Local Rules of the United States Bankruptcy Court for the District of New Jersey (the “**Local**

¹ A complete list of the Debtors in these chapter 11 cases may be obtained on the website of the Debtors' claims and noticing agent at <https://omniagentsolutions.com/NRIA>. The location of the Debtors' service address is: 1 Harmon Plaza, Floor 9, Secaucus, New Jersey 07094.

Rules”), for entry of an order shortening the time period for notice, limiting notice, and setting a hearing for approval of the *Debtors’ Motion for Entry of an Order Pursuant to Rule 9019 of the Federal Rules of Bankruptcy Procedure (A) Settling the Chapter 11 Trustee Motion; (B) Establishing a Board of Independent Managers For National Realty Investment Advisors, LLC; (C) Authorizing the Debtors to (I) Retain Turnaround Advisors, LLC to Provide a Chief Restructuring Officer, Nunc Pro Tunc to August 1, 2022, and (II) Approve the Agreement Related Thereto; and (D) Granting Related Relief* (the “**Motion**”)². In support of this Application, the Debtors rely on the facts and arguments set forth in the Motion, which is incorporated herein by reference, and respectfully state as follows:

BACKGROUND

I. General Background

1. On June 7, 2022, each of the Debtors filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code (the “**Chapter 11 Cases**”).

2. The Debtors are currently operating their businesses and managing their properties as debtors-in-possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. On June 30, 2022, the U.S. Trustee appointed an official committee of unsecured creditors [Docket No. 94] (the “**Committee**”). On July 21, 2022, the U.S. Trustee amended the composition of the Committee effective July 19, 2022 [Docket No. 175].

3. Additional background facts surrounding the commencement of these Chapter 11 Cases are more fully described in the *Declaration in Support of Chapter 11 Petitions and First Day Pleadings* [Docket No. 16].

² Capitalized terms not otherwise defined herein shall have the meanings ascribed to such terms in the Motion.

4. The Debtors and the Movants have agreed to resolve the Trustee Motion—which is scheduled for hearing on August 9, 2022—on the terms set forth in the Motion and in the Proposed Order. Further, granting the relief in the Motion will modify the Debtors’ corporate governance structure and allow the Debtors to focus on stabilizing the business and returning to the work of completing the construction projects and returning investor funds.

5. Therefore, by this Application, the Debtors seek to schedule a hearing on the Motion **on August 9, 2022, at 10:00 a.m. (ET).**

GOOD CAUSE EXISTS TO SHORTEN TIME

6. The regular notice period applicable to motions in this Court is twenty-one (21) days. However, Bankruptcy Rule 9006(c) and Local Rule 9013-2(c) authorize the Court to shorten the notice period and limit notice on motions for cause shown. The primary consideration for a court in determining whether to reduce a notice period is the prejudice that could potentially result to parties entitled to notice if the reduction is granted. *See, e.g., In re Phila. Newspapers, LLC*, 690 F. 3d 161, 171 (3d Cir. 2012); *In re Grant Broadcasting of Phila.*, 71 B.R. 390, 397 (Bankr. W.D. Pa. 1987).

7. Here, good cause exists to shorten notice with respect to the relief requested by the Motion. By the Motion, the Debtors and the Movants have agreed to resolve the Trustee Motion—scheduled for hearing on August 9, 2022, at 10:00 a.m.—which could have resulted in value-destructive and time-consuming litigation. As part of the settlement, the Debtors have agreed to modify their corporate governance structure such that Brian J. Casey, the Debtors’ Independent Manager, will voluntarily step aside and a new three-person Board and a CRO will be retained and appointed, as more fully set forth in the Motion. Granting the relief sought and authorizing the appointment of these individuals on an expedited basis is essential to the

Debtors' ongoing efforts to maintain stability of their operations and move the Chapter 11 Cases forward expeditiously. Finally, there would be no prejudice if notice were to be shortened because the relief sought in the Motion is supported by the Committee and has been discussed with the Office of the United States Trustee. Accordingly, the Debtors believe that under the circumstances, expedited consideration of the Motion will benefit the Debtors' estates and all stakeholders.

8. For the foregoing reasons, the Debtors believe that expedited consideration of the Motion is warranted under the circumstances, and submit that just cause exists to schedule a hearing on such relief on shortened notice.

CONCLUSION

WHEREFORE, the Debtors request entry of an order scheduling a hearing on the Motion **on August 9, 2022, at 10:00 a.m. (ET).**

Dated: August 1, 2022

SILLS CUMMIS & GROSS P.C.

/s/ S. Jason Teele

S. Jason Teele, Esq.

Daniel J. Harris, Esq.

Gregory A. Kopacz Esq.

One Riverfront Plaza

Newark, New Jersey 07102

(973) 643-7000 (Telephone)

(973) 643-6500 (Facsimile)

steele@sillscummis.com

dharris@sillscummis.com

gkopacz@sillscummis.com

Counsel to the Debtors and Debtors-in-Possession